

May 30, 2014

The Honorable Matt Schultz  
Secretary of State of Iowa  
State Capitol  
Des Moines, Iowa 50319

Dear Mr. Secretary:

I hereby transmit Senate File 2349, an Act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, the technology reinvestment fund, and the revenue bonds capitals II fund, and providing for related matters, and including effective date provisions.

Several vetoes of spending in Senate File 2349 are needed so that our state can maintain a balanced, sustainable and predictable budget. I am supportive of many of the programs and policy goals that would be achieved by some of these appropriations. However, in order to maintain a sustainable budget, tough choices must be made to control spending. The overall level of spending must be kept within limits that will serve our state well in the long term. Fiscal responsibility requires that \$41 million in taxpayer funded spending be vetoed from this legislation. In order to grow good-paying jobs in Iowa, we need to keep our fiscal house in order.

Senate File 2349 is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the item designated as Section 1, subsection 1, in its entirety. This item would provide \$4,000,000 for routine maintenance of state buildings and facilities. The effect of this disapproval saves \$4,000,000 in spending and helps us achieve our goal of a balanced budget.

I am unable to approve the designated portion of the item designated as Section 1, subsection 7, lettered paragraph b. This item would give \$2,000,000 in taxpayer dollars for a pharmacy

building at the University of Iowa for FY 2014-2015. The effect of this disapproval saves \$2,000,000 in spending and helps us achieve our goal of a balanced budget. This item veto preserves funding in future fiscal years for this building. This item veto preserves funding totaling \$64,300,000 in future fiscal years for this building.

I am unable to approve the designated portion of the item designated as Section 1, subsection 7, lettered paragraph c. This item would give \$2,000,000 in taxpayer dollars for a biosciences building at the Iowa State University for FY 2014-2015. The effect of this disapproval saves \$2,000,000 in spending and helps us achieve our goal of a balanced budget. This item veto preserves funding totaling \$50,000,000 in future fiscal years for this building.

I am unable to approve the designated portion of the item designated as Section 1, subsection 7, lettered paragraph c. This item would give \$2,000,000 in taxpayer dollars for an educational center for teach education and preparation building at the University of Northern Iowa for FY 2014-2015. The effect of this disapproval saves \$2,000,000 in spending and helps us achieve our goal of a balanced budget. This item veto preserves funding totaling \$30,900,000 in future fiscal years for this building.

I am unable to approve the item designated as Section 7 in its entirety. This item deappropriates the final year of funding from the Rebuild Iowa Infrastructure Fund to the following Board of Regents projects: Agriculture and Biosystems Engineering Complex at Iowa State University, the Dental Sciences Building at the University of Iowa, and the Bartlett Hall renovation at the University of Northern Iowa. As these projects are already in progress, funding for them is crucial. The effect of this action reinstates these appropriations for Fiscal Year 2015.

I am unable to approve the item designated as Section 10 in its entirety. This item would give an additional \$10,000,000 in taxpayer dollars for major repairs and maintenance of state buildings. The effect of this disapproval saves \$10,000,000 in spending and helps us achieve our goal of a balanced budget. It leaves \$14,000,000 still available for major repairs and maintenance of state buildings.

I am unable to approve the item designated as Sections 17 and 18 in their entirety. Section 17 would delay the funding of the Technology Reinvestment Fund from the General Fund for another year. Section 18 provides the funding for the Technology Reinvestment Fund for FY 2015 from the Rebuild Iowa Infrastructure Fund. I recommend the funding for the Technology Reinvestment Fund come out of the General Fund as required by statute. Changing funding sources makes it hard for taxpayers to follow the budget and hurts transparency. The effect of this disapproval would be to stop this shift and restore compliance with the Iowa Code to provide for stability and predictability.

I am unable to approve the item designated as Division VI in its entirety. This item would give \$4,000,000 in taxpayer dollars to the Resources Enhancement and Protection fund (REAP). The effect of this disapproval saves \$4,000,000 in spending and helps us achieve our goal of a balanced budget. The REAP program has \$16,000,000 still available in other appropriation bills for this year, representing an increase of \$2,000,000 available for REAP over last year.

I am unable to approve the item designated as Section 20 in its entirety. This item would exempt certain leases for state office space in downtown Des Moines from the competitive bidding process. I believe competitive bidding serves the best interest of the taxpayers.

For the above reasons, I respectfully disapprove the designated items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 2349 are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD  
Governor